

## Message Text

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45

ACTION NEA-10

INFO OCT-01 ARA-06 EUR-12 EA-07 ISO-00 ERDA-05 AID-05

CEA-01 CIAE-00 CIEP-01 COME-00 DODE-00 EB-07 FEAE-00

FPC-01 H-02 INR-07 INT-05 L-03 NSAE-00 NSC-05 OMB-01

PM-04 USIA-06 SAM-01 OES-03 SP-02 SS-15 STR-04

TRSE-00 /114 W

----- 013384

R 151216Z MAR 76

FM AMEMBASSY TEHRAN

TO SECSTATE WASHDC 6041

INFO AMEMBASSY ABU DHABI

AMEMBASSY ALGIERS

AMEMBASSY CARACAS

AMEMBASSY DOHA

AMEMBASSY JAKARTA

AMEMBASSY JIDDA

AMEMBASSY KUWAIT

AMEMBASSY LONDON

AMEMBASSY TRIPOLI

C O N F I D E N T I A L TEHRAN 2670

EO 11652: GDS

TAGS: ENRG, IR

SUB: NIOC CONSORTIUM RELATIONS: NIOC PULLS BACK FROM THE BRINK

1. OIL COMPANY CHIEF EXECUTIVES (STEEL OF BP, GRANVILLE OF TEXACO, HAYNES OF SOCAL) AND THEIR TEAM DEPARTED MARCH 14 AFTER MARCH 11 AND MARCH 13 MEETINGS WITH NIOC CHAIRMAN EGHBAL AND HIS AIDES. THE TWO SIDES ESSENTIALLY DECIDED TO RETURN TO SQUARE TWO. IN EFFECT, NIOC WITHDREW ITS EARLIER ULTIMATUM THAT COMPANIES CHOOSE ONE OF TWO IMPOSSIBLE ALTERNATIVES, AGREED TO RESUME NEGOTIATIONS FROM POINT THEY HAD REACHED BEFORE ULTIMATUM WAS ISSUED, AND AGREED TO CONTINUE FOR THE PRESENT TO PROVIDE MEMBERS' SHARE OF CAPITAL EXPENDITURES.

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2. AT THE REQUEST OF THE IRANIAN SIDE, TALKS WILL RESUME ON AS YET UNSPECIFIED DATE AFTER NOW RUZ HOLIDAYS, THAT IS, IN EARLY APRIL. MEMBERS TELL US THAT THERE WAS VIRTUALLY NO SUBSTANTIVE DISCUSSION OF THE NEW AGREEMENT ITSELF. SOMEWHAT TENSE MARCH 11 MEETING, WHICH LASTED ALMOST THREE HOURS, APPEARS TO HAVE BEEN DEVOTED LARGELY TO LECTURES BY DR. EGHBAL ON THE ONE HAND, AND ON THE OTHER BY COMPANY EFFORTS TO EXPLAIN WHY THEY COULD NOT ACCEPT EITHER OF THE ALTERNATIVES PRESENTED BY NIOC. IN BRIEF MEETING ON MARCH 13, EGHBAL MAINLY LIMITED HIMSELF TO TALKING

FROM PAPER CONTAINING INSTRUCTIONS FROM SHAH AND OBVIOUSLY DID NOT WANT TO RISK ATTEMPTING TO ELABORATE ON THESE INSTRUCTIONS.

3. THUS FOR THE MOMENT GOI SEEMS TO HAVE ACKNOWLEDGED THAT ITS BRINKMANSHIP HAS BEEN UNSUCCESSFUL. THE COMPANIES ON THEIR PART SAY THAT NOW THEY HAVE A LOT OF HOMEWORK TO DO AND THAT THEY MUST COME UP WITH SOME NEW IDEAS AND NUMBERS IN ATTEMPT TO SHOW NIOC THAT THEY ARE DEVOTING BEST EFFORTS TO FINDING MUTUALLY ACCEPTABLE AGREEMENT.

MIKLOS

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PETROLEUM, NEGOTIATIONS, CONSORTIUMS, BUSINESS FIRMS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 15 MAR 1976  
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**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** ElyME  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Status:** NATIVE  
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**TAGS:** ENRG, IR, US, TEXACO, BP OIL, SOCAL  
**To:** STATE  
**Type:** TE  
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